

NEIL - I FOUND THIS PAPER WRITTEN BY JACK JOHNSON,  
CAPT. USNR(RET) IT GIVES A LITTLE MORE IMPORT  
INTO THE FORMATION OF NIS, NOTE THAT IN THIS  
REPORT & OTHERS, NIS WAS FORMED IN 1966. BEFORE  
THAT WE WERE ALL ATTACHED TO DIO'S, FIO'S, INTELLI-  
GENCE SECURITY GROUPS, ETC. BILL

8-9-04

### THE GESTATION OF NIS

An important event occurred on February 4, 1966, when the Secretary of the Navy, with the concurrence of CNO, created the U.S. Naval Investigative Service as a separate and world-wide facility.

While I was fortunate to have been the first Director of this command, the actual plaudits for this event should go to hundreds of dedicated uniformed and civilian personnel. The late Charles R. "Dick" Wilson along with B.L. Willard and Jack Lynch. For many years Wilson served capably and effectively as the civilian head of Op-921D, ONI's Investigative Branch.

We in NIS pledged ourselves to continue our high dedication to the task of providing a most effective and economical investigative and counterintelligence service for the Navy and the Marine Corps. It gave us an occasion for renewed dedication, but also an opportunity for increased effectiveness in every aspect of our daily functioning: professional performance in investigations and counterintelligence; economical utilization of resources; establishment and maintenance of high morale and esprit de corps.

In short, we had both the occasion and opportunity to demand of ourselves and to inspire in others the highest excellence in the performance of our mission. We anticipated more uniformity in organization and operations, more formalized inspections, more direct and responsive relationships between headquarters and field offices. We wanted an organization with clear and distinct lines within which each individual could find a sense of identity and dedication to a mission and operation which was of vital importance.

From:

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For info  
Dave 11 Aug 04  
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Of most importance we wanted to further develop our agent training, and to expand investigative personnel to include females and those from various ethnic backgrounds. To my recollection, up to February 1966, we had no female agents and only one non-Caucasian, Douglas Wada in Honolulu. Budgetary restraints had restricted agent training. Captain Charles Stuart (ADNI Admin) was an expert at pinching pennies.

Our road to a more promising future had begun.

#### THE BACKGROUND OF NIS

To better understand the changes above referenced it is necessary to go back into a brief history of the Navy and Naval Intelligence. These are merely my personal thoughts.

John Paul Jones, our Naval hero in the War of Independence, early in his career as a ship's master, killed the ringleader of a mutiny aboard his ship. Naval vessels were usually at sea for a considerable length of time. Because the safety of the ship had been thought to depend upon the submission of all persons on board to the will and leadership of the captain, wide disciplinary powers had traditionally been given to the commanding officer, including the power to inflict the death penalty, without waiting for a return to port and a court-martial.

In those days commanding officers were virtual dictators aboard their commands. This sense of command responsibility came on down through the years. Another reason for this ultra supremacy aboard Navy ships was the fitness report system; not many COs would welcome an ONI agent aboard his vessel if he felt the outcome of the agent's work might imperil his aspirations for rising to higher rank.

Here is an example of difficulties faced by counter-intelligence personnel during World War II. I was stationed at GITMO in 1942, during the height of German submarine successes in attacking our convoy vessels, and found what I considered to be a vulnerable point in our Base perimeter whereby ships and shore facilities could be sabotaged. Routinely, I submitted a report of the matter to my Base superior, and the latter forwarded a copy to DIO-IOND in Puerto Rico. Through the latter my report found its way to Admiral Hoover's staff, COMCARIBSEAFRON. Someone on the latter staff questioned the GITMO Base Commander about the matter, and as suspected, I received a thorough chewing out for my "misdeed".

Back in those days some COs were careful to monitor any investigation or other activities aboard their commands which might reflect adversely upon the manner in which they performed their duties.

Several later developments had a direct bearing on Naval Counterintelligence and investigative matters. During 1939, Franklin D. Roosevelt, while at Hyde Park, New York, signed a memorandum in which he formally designated ONI, FBI, and the Military Intelligence Division of the War Department as tri-agents to coordinate security matters. Later, the USAF's OSI came into the picture on the same basis.

It was not the policy of the Naval Academy nor any other formal school to train students in the intricate and complicated work of investigations. With a background in the legal profession, I recall vividly being called to active duty in August, 1941, and in receiving a smattering of in-house training at DIO-7ND in Jacksonville regarding counterintelligence and investigations. Best recalled were the "tailing" exercises.

Not long after this superficial Jacksonville training, I was directed to an undercover assignment at St. Thomas in the Virgin Islands where the Navy was building a submarine base. Early in 1942, a Danish merchant ship was torpedoed and sunk in the Caribbean Sea. One of the survivors, a Dane, found his way to St. Thomas where a number of Danish-speaking people were living. After he obtained a construction job at the construction site, reports surfaced that he was clearly pro-Nazi, and the deduction was drawn that he might attempt an act of sabotage. Fairly soon after I took up my civilian duties, the suspect and I became "fast friends". At St. Thomas he fell in love with a co-worker, a young freckled-faced red-head from Georgia, and revealed to me that her sexual appetite became more than he could handle.

While my suspect never committed an act of sabotage at the submarine base prior to his departure to CONUS, my poor training for the job almost resulted in my death. My treatment in a Charlotte Amalie civilian hospital for two days never appeared in my Navy record, and I quickly returned to the undercover assignment.

The conclusion to be drawn to my narrative is simple: our country must ever be vigilant to keep in place a highly selected and well-trained cadre of intelligence personnel, including NIS investigators. In order to achieve this goal as to investigators, I firmly believe reliance must be placed upon civilians placed within the military chain of command.

Our ONI civilian agent corps had its beginning around 1937. In those days, the employees were presumed to have been operating "sub rosa", and no formal contracts or correspondence during that period have been located. A formal document with a 1940 date has been located; it is a printed contract (numbered NNI-100) which consisted of a single page of only six articles, and required the counter-signature approval of the Commandant (3ND) as well as the DIO. It provided for a salary of \$250 monthly, and provided for termination at any time, without recourse.

As can be understood, not all U.S. Navy officers were able to work effectively with assigned civilian agents. Perhaps the former felt some antagonism because some of those agents never served during wartime in uniforms.

One of the primary reasons why Dick Wilson and the Investigations Branch of ONI proved successful was the close and harmonious relationships existing between uniformed and civilian personnel. Those civilians not only had a specialization and a competence far beyond the typical officer, but also bent over backwards to permit officers to receive credit for investigative successes.

Mainly because of miscarriages of justice in disciplinary matters occurring during World War II, the U.S. Congress enacted the mandates contained in the Uniform Code of Military Justice. This document placed a greater need for competent investigation of major crimes occurring among military commands on ships and ashore. Since ONI already had an investigative force for intelligence matters, it appeared logical for the task of investigating serious crimes be assigned to Naval Intelligence. Furthermore, there was frequently a relationship between security considerations and the culprits of serious crime.

Those of us in OP-921D used this new development to increase, to some extent, agent recruitment and training.

Hindsight tells us ONI took on a large new responsibility outside the traditional intelligence field: investigative jurisdiction of major crimes throughout the Navy and Marine Corps. DNI was under a handicap in seeking substantial funding for a non-intelligence junction. In looking back we also learned another important lesson: that DNI should never have agreed to take over a large and tremendous new burden without a prior agreement that adequate monies would be allocated to get the job done properly.

A part of our new complication arose from the fundamental proposition that a major crime, such as murder, must



be investigated promptly, and at the scene of the crime. The crime scene may be aboard an aircraft carrier at sea in the Sixth Fleet, or near the front lines in Vietnam. It was partly this premise which required us to expand our land-based D10 system and to establish offices in Europe and Asia.

A number of us in the organization were lawyers, including Dick Wilson, Steve Jones, Jack Lynch, myself and others. We were determined that our investigations would be conducted totally "within the law". For example, any civilian or uniformed agent who attempted to extract an involuntary confession from a suspect soon found himself in serious trouble with headquarters.

Getting the needed funds for enhanced agent training proved always to be an uphill battle. The Director of Naval Intelligence as OP-92 was allocated a limited budget, being in competition with other military purposes which garnered more public support, such as the need for new and more advanced aircraft carriers. Moreover, DNI had an in-house problem of dividing up intelligence monies. He had to decide how much of the pot should be divided among his three divisions: positive intelligence, administrative and counterintelligence.

In some upper echelons, stories adverse to our ONI investigative effort resulted from our "6j" program, the clear policy of the Secretary of Defense that all uniformed personnel participating in homosexual activities must be returned to civilian life. The fact that some of these persons with access to classified material had been recruited by USSR intelligence was clearly documented; blackmail kept some of them on the Soviet payroll. The deduction was drawn that every person engaging in 6j acts became a clear and present danger from the standpoint of security.

For the record it should be clearly understood our investigators never went out witch-hunting to ferret out homosexuals. We never entered any investigation until and unless requested to do so by competent authority. A number of senior and important persons came under our investigative jurisdiction, and they left the Navy and Marine Corps quietly. While some detractors referred to us as fairy chasers, we did what we had to do under national policy.

One of our most noteworthy cases involved a medical doctor serving in uniform who had received national acclaim for his writing and his charitable activities in Vietnam. This person has since died, but the thought has occurred to me that the armed forces lost quite a number of competent and

talented persons through our investigations, and I feel sure in retrospect, not all of them constituted security risks. In summary, our work in this area involved distasteful and unsavory matters which caused some quarters to make snide remarks about us. We had a job to do, in helping to protect the nation, and we did it effectively.

Future researchers may look into the question as to whether the investigative work now performed by NIS should ever have been placed under ONI. While President Roosevelt set the stage of what followed by his 1939 memorandum discussed above, one can question whether DNI should have retained jurisdiction over non-intelligence major crime investigations for so many years. Perhaps NIS as a separate and independent command should have come about before 1966. Prior to 1966, many of us were somewhat dubious that this change would ever take place.

At any rate, I believe events since 1966 have fully justified the creation of NIS as a separate organization. All in all, those of us now retired cherish the memories of our affiliation with ONI and NIS down through the years. God bless all of thos in NIS who continue to carry the burden of helping to protect our beloved nation.

Additionally, we cannot forget those hundreds of patriotic and dedicated persons, now deceased, who labored during the earlier years before NIS came into existence. Those names include Captain Bob Jackson, Hank Shultz, Johnny Barron, Ray Sullivan, Ralph Morgan and most important of all, Dick Wilson,

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